NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

such part of the leased premises.

PAID UP OIL AND GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT is m	ade this	day of (\(\)	110	, 2009, by and between
Shirley Black a	Smale Pers	\mathcal{M}		
whose addresss is 4120 DOM	ruce street			as Lessor All printed portions of this lease were prepared by the party
hereinabove named as Lessee, but all	other provisions (including	ng the completion of bla	nk spaces) were prepared	d jointly by Lessor and Lessee.
In consideration of a cash described land, hereinafter called leas		the covenants herein	contained, Lessor hereb	y grants, leases and lets exclusively to Lessee the following
OUT OF, THE HIGH CILL	, MORE OR LESS,	BEING LOT(S)	17	BLOCK // ADDITION, AN ADDITION TO THE CITY OF
FURT WORTH				RDING TO THAT CERTAIN PLAT RECORDED
IN VOLUME 3/0	, PAGE	60	OF THE PLAT REC	ORDS OF TARRANT COUNTY, TEXAS.
substances produced in association commercial gases, as well as hydroci land now or hereafter owned by Less Lessor agrees to execute at Lessee's	for the purpose of explo therewith (including gec arbon gases. In addition or which are contiguous or request any additional or	oring for, developing, prophysical/seismic opera- to the above-described or adjacent to the above supplemental instrumen	oducing and marketing of tions). The term "gas" I leased premises, this to e-described leased prem nts for a more complete o	ng any interests therein which Lessor may hereafter acquire by bil and gas, along with all hydrocarbon and non hydrocarbor as used herein includes helium, carbon dioxide and othe case also covers accretions and any small strips or parcels o ises, and, in consideration of the aforementioned cash bonus or accurate description of the land so covered. For the purpose the deemed correct, whether actually more or less.
This lease, which is a "paid-Las long thereafter as oil or gas or other otherwise maintained in effect pursuants."	r substances covered he:	reby are produced in pa	r a primary term of Fi's sying quantities from the I	$\frac{\sqrt{\mathcal{E}}}{\sqrt{2}}$ years from the date hereof, and for leased premises or from lands pooled therewith or this lease is
separated at Lessee's separator facil Lessor at the wellhead or to Lessor's the wellhead or to Lessor's the wellhead market price then preva prevailing, price) for production of single production in the same field, then nearest preceding date as the date on the leased premises or lands pooled the hydraulic fracture stimulation, but such be producing in paying quantities for the being sold by Lessee, then Lessee should be producing in paying quantities for the sees that in or production there from in Lessee from another well or wells on the sees of such operations or production. Lessor's depository agent for receit draft and such payments or tenders to address known to Lessee shall constituted that the provisions of Paragrament hereunder, Lessor shall, at Lessor's tenders to the leased premises or lands pooled therewith, pursuant to the provisions of Paragramevertheless remain in force if Lessee on the leased premises or lands poole the end of the primary term, or at an operations reasonably calculated to on cessation of more than 90 consecthere is production in paying quantitie Lessee shall drill such additional wells to (a) develop the leased premises at leased premises from uncompensated additional wells except as expressly premises and the productional wells except as expressly premises or the production the premises or the production the premises or the premises of the premi	ities, the royally shall be credit at the oil purchase illing in the same field (or milar grade and gravity: (20%) of the prothes and gravity: (20%) of the prothe costs incurred by Les such production at the prothe costs incurred by Les such production at the prothes are capable of each well or wells are either so the purpose of maintaining all pay shut-in royalty of fore the end of said 90-ds not being sold by Less he leased premises or laise's failure to properly be pring payments regardless a Lessor or to the deposit ute proper payment. If the agraph 3, above, if Lessor or if all production (whether a commences operations defense) and therewith within 90 day a time thereafter, this lease of the commences of	r's transportation facilities in if there is no such price in the proceeds realized by Lessee in delivering, proceeds realized by Lessee in delivering, proceeds lessee in delivering, proceeds its purchases hereun either producing oil or gas its purchases hereun either producing oil or gas thut-in or production the gas the sease. If for a per one dollar per acre their pay period and thereafte see; provided that if this nds pooled therewith, nay shut-in royalty shall repaid or tendered to Lessee of changes in the ownit or by deposit in the United Dessee a proper recoive deliberation of producing an existing safter completion of or reworking an existing sease is not otherwise be an therefrom, this lease is choperations result in es or lands pooled therewith able of producing in pay wells located on other in wells located on other in the sease is considered in the producing in pay wells located on other in the sease is considered in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in pay wells located on other in the producing in the producing in pay wells located on other in the producing in the	es, provided that Lessee ce then prevailing in the grasing head gas) and see from the sale thereof, essing or otherwise market price paid for production evailing price) pursuant to der; and (c) if at the end as or other substances of the substanc	o Lessor as follows: (a) For oil and other liquid hydrocarbons of such production, to be delivered at Lessee's option to shall have the continuing right to purchase such production a same field, then in the nearest field in which there is such a all other substances covered hereby, the royalty shall be less a proportionate part of ad valorem taxes and production thing such gas or other substances, provided that Lessee shall not of similar quality in the same field (or if there is no such price of comparable purchase contracts entered into on the same of the primary term or any time thereafter one or more wells or overed hereby in paying quantities or such wells are waiting or by Lessee, such well or wells shall nevertheless be deemed to a such well or wells are shut-in or production there from is no each payment to be made to Lessor or to Lessor's credit in the versary of the end of said 90-day period while the well or wells ag maintained by operations, or if production is being sold by due until the end of the 90-day period next following cessation are amount due, but shall not operate to terminate this lease. In at lessor's address above or its successors, which shall yments or tenders may be made in currency, or by check or by relope addressed to the depository or to the Lessor at the last operation of the institution, or for any reason fail or refuse to accept another institution, as depository agent to receive payments. In paying quantities (hereinafter called "dry hole") on the leased asses from any cause, including a revision of unit boundaries his lease is not otherwise being maintained in force it shall diditional well or for otherwise obtaining or restoring production and the series of a well capable of producing in paying quantities hereunder in operator would drill under the same or similar circumstances of a well capable of producing in paying quantities hereunder in operator would drill under the same or similar circumstances are of lands producing in paying quantities hereunder in operator would
depths or zones, and as to any or all proper to do so in order to prudently dunit formed by such pooling for an oil horizontal completion shall not exceed completion to conform to any well spa of the foregoing, the terms "oil well" a prescribed, "oil well" means a well with feet or more per barrel, based on 2 equipment; and the term "horizontal equipment; and the term "horizontal component thereof. In exercising its Production, drilling or reworking oper reworking oper reworking operations on the leased pries are a Lessee. Pooling in one or more instaunit formed hereunder by expansion prescribed or permitted by the governmaking such a revision, Lessee shall leased premises is included in or exclude adjusted accordingly. In the absen a written declaration describing the un	substances covered by evelop or operate the lea well which is not a horizo 640 acres plus a maximicing or density pattern that gas well" shall have an initial gas-oil ratio of 4-hour production test completion" means an oil pooling rights hereunder, ations anywhere on a uremises, except that the period of the contraction or both, eight mental authority having juited of record a written device of production in paying t and stating the date of t	this lease, either befor sed premises, whether portal completion shall nor um acreage tolerance of at may be prescribed of the meanings prescribeless than 100,000 cubic occupitions will well in which the horized that it which includes all corroduction on which Leases shall file of redit which includes all corroduction on which Leases shall file of redit which includes all corroduction on which Leases shall file of redit which includes all corroduction on which Leases shall file of redit which includes all corroduction on which Leases shall file of redit which includes all corroduction on which Leases shall file of the which includes all corroduction on which Leases are to the total gross a unit, armination. Pooling he	e or after the commence or not similar pooling aut of exceed 80 acres plus if 10%; provided that a lair permitted by any governed by applicable law or the feet per barrel and "gas I producing conditions unizontal component of the cord a written declaration any part of the leased issor's royalty is calculated reage in the unit, but or ereunder, and Lessee sharmencement of production to any productive acre revised unit and stating to rupon permanent cess reunder shall not constitution.	
				nd shut-in royalties payable hereunder for any well on any par h part of the leased premises bears to the full mineral estate ir

- 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.
- 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.
- 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials including well casing from the leased premises or such other lands during the term of this lease or within a reasonable time threafter.
- other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

 11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed
- 12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fitteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

 13. No litigation shall be initiated by Lessor with respect to any treach or default by Lessee hereunder, for a period of at least 90 days after lessor has given Lessee.
- 13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.
- 14. For the same consideration recited above, Lessor hereby grants and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.
- other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

 15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.
- 16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market

may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on and conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHITTHER ONE OR MORE) By: Shirley Black	Ву:	
STATE OF CYCIS COUNTY OF TOWNCIA) + by: This instrument was acknowledged before me on the State of Texas My Commission Expires April 15, 2012	Notar	y Public, State of EXAS y's name (printed): y's commission expires:
STATE OF COUNTY OF This instrument was acknowledged before me on the by:	day of	, 2009,

Notary Public, State of _____ Notary's name (printed): Notary's commission expires:

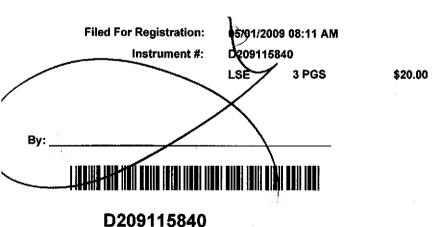


DALE PROPERTY SERVICES
ATTN: ANN VANDENBERG
2100 ROSS AVE, STE 1870, LB-9
DALLAS TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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